



**NORTH CAROLINA
CREDIT UNION LEAGUE**

Committed to helping credit unions succeed

December 23, 2010

Jennifer J. Johnson
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

RE: Docket No. R-1390 – Proposed Rule on Additional Consumer Protections and
Disclosures for Mortgages Under Regulation Z

Dear Secretary Johnson:

On behalf of the North Carolina Credit Union League (NCCUL), I am writing in response to the recently issued proposal implementing additional changes under Regulation Z for the right of rescission notice and reverse mortgage loans. It is our understanding that this proposal as well as the two proposals on home equity lines of credit and closed-end mortgage loans issued for comment in 2009 will be combined in a final rule for release in 2011.

While NCCUL supports the intent to establish simple and transparent mortgage disclosures and recognizes the scale of the challenge at hand, we are concerned that the current process to impose changes in stages will be diminished by the work of the Consumer Financial Protection Bureau (CFPB) starting in July of 2011. With the passage of the Dobb-Frank Wall Street Reform and Consumer Protection Act, work is already underway to combine the disclosures currently required under the Truth in Lending Act (TILA) and the Real Estate Settlement Procedures Act (RESPA). At this point, continuing to issue proposed changes to Regulation Z, the rules that implement TILA, would be counterproductive given the requirements of the CFPB to integrate mortgage disclosures.

Over the last several years, the Federal Reserve and other financial service regulators have adopted sweeping measures, from mortgage lending and credit cards to the Bank Secrecy Act and overdraft protection plans. These substantial changes have created an incredibly difficult and expensive compliance environment for credit unions and in many respects caused consumer confusion. As the association representing 93 North Carolina credit unions with a membership base of 3.1 million people, we urge you to consider suspending the Regulation Z rulemaking. This moratorium will not only reduce regulatory burdens but coordination of these efforts with the CFPB will ensure more efficient consumer protection provisions.

Respectfully Submitted,

Lauren D. Whaley, Director of Legislative and Regulatory Affairs
North Carolina Credit Union League
323 West Jones Street, Suite 200
Raleigh, NC 27603